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Knowledge Transfer and Management Consulting: The Effect of Consultant and Client Characteristics

Noha A. Alaa El Dine
Nile University, Giza, Egypt
Ahmed Taher
The American University in Cairo, Cairo, Egypt

Knowledge transfer (KT) from the consultant to the client is an important area that needs to be repeatedly addressed and thoroughly understood. The aim of this research was to examine the assumption that client characteristics and consultant competencies play a defining role in the effective transfer of knowledge to the client party. The authors examined the critical aspects and competencies required of the consultant, and the characteristics and attitudes required of the client, which would contribute to a successful transfer of knowledge, through unstructured in-depth interviews and concise questionnaires. Eighty consulting assignments were studied from both the client side and the consultant side. A conceptual model is presented, factor analysis was used to validate the constructs, and partial least squares were used to test the model. The findings showed that the consultants' professionalism, skills, and behavior were significant contributors to KT to the client. Surprisingly, neither the consultant knowledge nor client characteristics had any significance to the KT to the client.

Keywords: knowledge transfer (KT), antecedents and consequences, consultant-client relationship, management consulting

Introduction

Management consultants' core businesses depend largely on cooperation and interactivity between consultant and client, to ensure a successful transfer of knowledge to the client. The main purpose of the consultancy service is to enhance a client's competitiveness, which cannot occur without the existence of those people who want to learn and improve themselves and their competencies. Knowledge transfer (KT) requires the client to be involved and motivated. The quality of an assignment outcome is dependent on such involvement.

Indeed a very important and highly relevant topic where extensive research has been done (Cerruti, Tavoletti, & Grieco, 2019), but little research has been carried out specifically to investigate the effect of clients' and consultants' characteristics on the transfer of knowledge. This is mainly due to the fiduciary nature of the consultant-client relationship, which makes it difficult to investigate. This research built and based its hypotheses on extensive literature to develop a deep understanding of the interrelationship among the three

Noha A. Alaa El Dine, assistant professor, Business School, Nile University, Giza, Egypt.
Ahmed Taher, assistant professor, School of Global Affairs and Public Policy, The American University in Cairo, Cairo, Egypt.
Correspondence concerning this article should be addressed to Ahmed Taher, School of Global Affairs and Public Policy, The American University in Cairo, Cairo, Egypt.

constructs: consultant characteristics, client characteristics, and knowledge transfer. Furthermore, this study proposes a new dimension for the determinants affecting knowledge transfer in an extensive knowledge-based industry.

The consultant characteristics in this research were based on the Institute of Management Consultancy Competence Model, which outlines the characteristics that should exist in a competent consultant. As for the client characteristics, the authors depended on both, the literature available and qualitative research investigating the viewpoints of the local experts in the emerging market. The authors conducted in-depth interviews to deduce the significant client characteristics that would enhance or impede the knowledge transfer to the client. Furthermore, they measured knowledge transfer using the learning organizations' assessments.

The sampling unit in this reach is the consulting assignment, which required the dyad, consultant, and client, involved in the assignment, to be interviewed to complete one sampling unit. To the researchers' knowledge, this method has not been used before in this type of research. Dyad sampling, especially in the format, was used in this research, and provided an ample array of angles that allowed the authors to conclude a large pool of client and consultant characteristics. The sample of the study was composed of 80 management consulting assignments, where consultants were asked about their perception of the clients' characteristics, and clients were asked about their perception of the consultant's characteristics and their perceived transfer of knowledge during, and after, the assignment.

The results of the research provide practical, yet unexpected insights with regards to the consultant's characteristics in the emerging market. The research revealed that human and interpersonal factors have a significant effect on the client's choice and perception. This finding could be related to the fact that the emerging market clients tend to be of emotional inclination, and care more about personal relations, sometimes beyond what could be warranted in a professional context, rather than the consultant's technical and sector knowledge. The use of another round of post-survey in-depth interviews, allowed the researches to glimpse and analyze the qualitative aspect of the research findings, hence postulating the mentioned inclination of clients in the emerging market.

The Management Consulting Industry

Management consulting is a relatively young industry. The oldest firms that are still in existence were established toward the end of the 1880s and the beginning of the 20th century. In 2020, the global management & marketing consultancy market was estimated to have a value of $636.6 billion, with an average annual increase of 2.5% since 2015. Approximately one-tenth of that work is generated by UK-based consultancy firms. The UK and Germany are by far the largest markets in Europe (IBISWorld, 2020).

The management consulting business has expanded in terms of size, types of services, and modes of consulting. New services are developed and offered to remain abreast of the fast-changing ecosystem of management. New modes for delivering the services have been created to address the possibilities provided by technologies and the clients' different needs. In the 1950s and 1960s, the consultant role was based on techniques and rationality originating from scientific management and the expert society. However, during the 1960s and 1970s, the perception of the consultant role was revolutionized. New values and theories from the behavioral field were included in the world of management consultants that emphasized the processes (Sadler, 2001). Since then, the role of consultants has been further refined, both in theory and practice, up through the

1980s and 1990s (Kubr, 1996). Today, management consultants, in general, must be professionally involved in recommending and overseeing changes that add true and measurable value to their clients. One very important value is the know-how they leave behind through knowledge transfer to different layers of management in the recipient organizations.

Knowledge Transfer at the Core of Management Consultancy

Managemet consultants are considered an important source of the latest managerial knowledge (Clark, 1995), as their primary role is to help clients improve their businesses by solving business problems as per the assignment scope. The creation and transfer of knowledge is an increasingly important facet of the modern consultant, as new knowledge helps to challenge and revitalize models of strategy and business (Watson & Hewett, 2006; Chang & Ahn, 2005). This is evident in the increasing interest focused on the knowledge economy (Murray & Greenes, 2007; Murray & Sekella, 2007; Bean & Robinson, 2002; Clarke, 2001), competence management (Drejer, 2000), and knowledge management (Hellstrom et al., 2000, Dunford, 2000). Many firms, especially in knowledge-intensive industries, have applied new management models that support excellence, quality management, knowledge creation, and organizational learning.

Regarded as a professional by the knowledge industry, a consultant should trigger a learning process from his first day at the organization. According to Dawson (2000), it has always seemed obvious that the greatest value provided to clients has been in making them more knowledgeable. In fact, numerous authors have pointed to knowledge as an organization's best sustainable source of competitive advantage (Drucker, 1988; Argote, Ingram, Levine, & Moreland, 2000; Davenport & Prusak, 2000; Lahti & Beyerlein, 2000; Rulke, Zaheer, & Anderson, 2000).

Other studies integrated knowledge-related factors, motivational factors, and communication-related factors as antecedents of knowledge transfer. In their study (Ko, Kirsch, & King, 2005) demonstrated that knowledge transfer represents a powerful model for studying and improving complex information system implementations.

Overview of the Consultancy Competence Model

The Institute of Management Consultancy's (IMC) recent Management Consultancy Competence Model, has been welcomed as a significant contribution to the known standards of the profession. It is the culmination of research and wide consultation involving professional members, academic bodies, clients, and other interested parties. It builds on the International Certified Management Consultant (CMC)® to capture leading practice and define the standards required and demonstrated by the profession. As such, the institute believes it is the only sector-wide standard available. It aims to define the "fully competent consultant".

In this context, IMC defines management consultancy as:

> The provision to the management of objective advice and assistance relating to the strategy, structure, management, and operations of an organization in pursuit of its long-term purposes and objectives. Such assistance may include the identification of options with recommendations; the provision of an additional resource and/or the implementation of solutions.

Based on the definition above, current competency models in the management consultancy sector contain a mix of change management and technical skills, varying according to discipline and organizational culture. The framework sets out three broad groupings of competencies:

Market capability and knowledge: The application of fact-based knowledge; bringing together the combination of technical skills, business understanding, sector insight, and external awareness.

Skills: Consulting Competence defines the core consultancy skills, tools, and techniques, which are essential in delivering consultancy services,

Professional Behaviors: The entry-level professional behaviors and attitudes which act as "enablers" in achieving market capability and consulting competence (Institute of Management Consultancy, 2016).

Knowledge Transfer (KT) and Learning Organizations

The literature points that since knowledge is of a non-codifiable nature, especially tacit knowledge, the transfer of tacit knowledge cannot be guaranteed by a complete contract (Schaeffer, Öcalan-Özel, & Pénin, 2020), nor be measured by (even financial) performance measures. Due to the non-codified nature of knowledge, and the fact that the dependent variable of this research is the successful transfer of knowledge, the KT construct will be built on the learning organization measurements, with special reliance on Garvin's (1993) work as the foundation.

Garvin defined three aspects for measuring learning organizations: cognitive approach, behavior, and performance improvement, which coincide with the three overlapping stages an organization goes through. The first stage is cognitive, where the organization members are exposed to new ideas, expand their knowledge, and begin to think differently. The second development is behavioral, where employees begin to internalize new insights and alter their behavior. And the third phase is performance improvement, with changes in behavior leading to measurable improvements in results such as superior quality, better delivery, increased market share, and/or other tangible gains.

Peter Senge, who popularized learning organizations in his book *The Fifth Discipline* (Senge, 1994), described learning organizations as places, "Where people continually expand their capacity to create the results they truly desire, where new and expansive patterns of thinking are nurtured, where collective aspirations are set free, and where people are continually learning how to learn together." Along the same direction, Nonaka (1991) characterized knowledge-creating companies, as places where "inventing new knowledge is not a specialized activity…it is a way of behaving, indeed, a way of being in which everyone is a knowledge worker."

The Conceptual Framework

The conceptual framework of this research, as demonstrated in Figure 1, is composed of two axes: the first axis consists of the consultant characteristics, built on the consultant competency model of the IMC, and the client characteristics, deduced from industry experts. The other axis is the dependent variable: the Knowledge Transfer (KT). The KT construct is based on the learning organization's measurements, particularly using Garvin's (1993*)* work as a foundation.

The variables and their definitions are depicted in Figure 1 and described in Table 1.

Table 1

List of Dependent and Independent Variables

Dependent variables (Y)		
DEP VAR (Y): *Knowledge transfer (KT)*	*Definition*: A process through which one unit is affected by the experience of another and it manifests itself through changes in the cognition, knowledge, or performance of the recipient unit.	
	The following three variables compose the KT construct.	
	a. DEP VAR (Y1): *Cognition*	*Definition*: where the organization members are exposed to new ideas, expand their knowledge, and begin to think differently.
	b. DEP VAR (Y2): *Behaviour*	*Definition*: where employees begin to internalize new insights and alter their behavior.
	c. DEP VAR (Y3): *Performance improvement*	*Definition:* changes in behavior leading to measurable improvements in results such as superior quality, better delivery, increased market share, and other tangibles gains.
Independent variables (X's)		
The independent variables are composed of two parts: consultant characteristics (Part 1) and client characteristics (Part 2) since the research is investigating both characteristics' effect on the knowledge transfer to the client.		
Part 1: Consultant characteristics	The consultant characteristics are divided into three different variables as such;	
	a. INDEP VAR 1 (X1): *Consultant knowledge*	This is defined as the application of fact-based knowledge, bringing together the combination of technical skills, business understanding, sector insight and external awareness.
	b. INDEP VAR 2 (X2): *Consultant skills*	This is defined as the core consultancy skills, tools, and techniques, which are essential in delivering consultancy services.
	c. INDEP VAR 3 (X3): *Consultant behaviour*	This is defined as the entry-level professional behaviors and attitudes which act as "enablers" in achieving market capability and consulting competence.
Part 2: Client characteristics	The second set of independent variables is composed of the client's characteristics that affect the knowledge transfer and assignment success, those together gave us the variable of the client characteristics.	
	d. INDEP VAR 4 (X4): *Client Characteristics*	*Client Sense of Partnership* This is defined as the client's ability to give positive feedback, having a problem-solving attitude, thinking as part of the solution rather than part of the problem, and guiding and supporting instead of blaming.
		Management Commitment This is defined as the Top and Middle Management commitment to improve performance and learn.
		Management Support This is defined as the management commitment to providing support and realizing planned projects' results.
		Level of Trust This is defined as the customer's level of trust, which creates a mindset of win/win that, reflects positively on the knowledge transfer process.
		The threat to Functional Manager This is defined as the perceived threat posed by the consultant to the functional manager.
		Client Acceptance to Change This is defined as the client's willingness to accept new concepts and adopt them.
		Client use of Authority This is defined as the client's use of dominance and authority to impose certain solutions that might affect the quality of the assignment and hence the KT.
		Client lack of Internal Systems This is defined as the deficiency or inexistence of internal organizations' systems to carry on the change that should be carried out by the consultant.

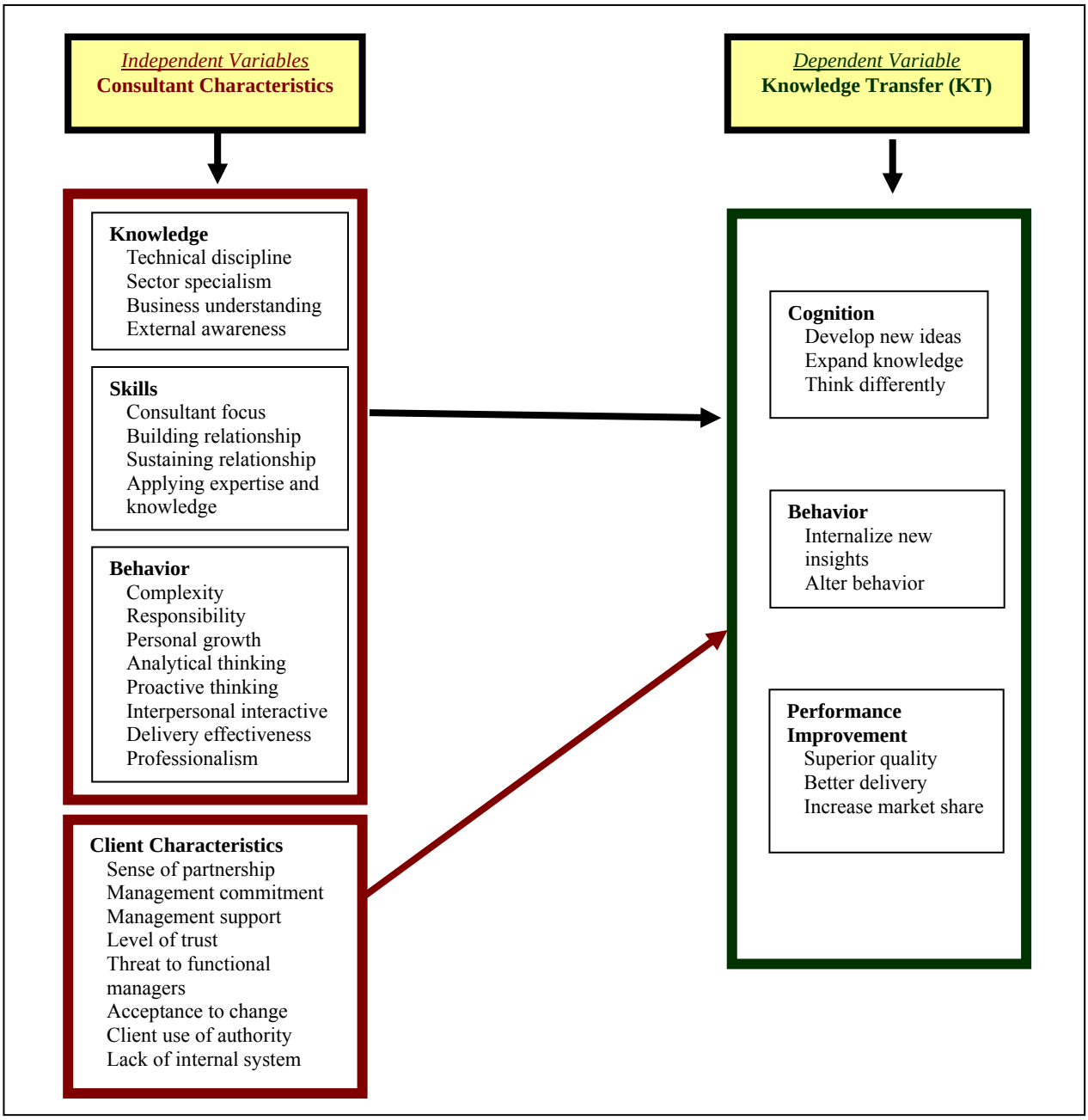

Figure 1. The conceptual model. Source: Consultant Characteristics—Institute of Management Consultancy—Knowledge transfer: Measurements of learning organization.

Knowledge Transfer Enhancers

The development of the client characteristics in the conceptual framework was based on industry experts' knowledge, due to the lack of literature in this context. The authors conducted five unstructured in-depth interviews with industry experts from leading management and marketing consultancy firms. The objective of these interviews was mainly to identify the client's characteristics that would enhance, or impede the transfer of knowledge, from the consultant to the client and would impact the assignment success. The interviews resulted in the following six indicators of client characteristics:

The client's sense of partnership: The willingness to share information and provide real and true insights from management and staff, giving positive feedback, having a problem-solving attitude, thinking as part of the solution rather than part of the problem, and giving guidance and support instead of blaming, were key success factors and enablers of the knowledge transfer.

Management commitment: The commitment from the top and middle management to improve performance and learn, to realize the project's results.

Level of trust: The client's lack of trust poses a question mark on all the actions taken by the consultant, and thus creates a negative impact on the knowledge transfer process.

A threat to functional managers: The perception of the functional managers and the apparent sense of insecurity imposed by the consultant, negatively affect the knowledge transfer and the project's success and are among the critical client characteristics that would hinder the knowledge transfer.

Acceptance to change: Typically, a management consultant will be engaged to provide change; the client's recognition of problem areas and willingness to accept new concepts and adopt them is a real challenge facing the knowledge transfer process.

Client use of authority: The use of authority and dominance to impose certain solutions, affects the quality of the work carried out and hence the overall value of the intervention.

Research Methodology

Due to the fact that the consultant and the client are the two parties involved in the consulting assignment and the knowledge transfer, both parties must be part of the measurement. The perception of the consultant's knowledge, skills, and behavior by the client, and the perception of the client's characteristics by the consultant were both measured. Although these perceptions may not reflect accurate facts, they could be deemed more important since human interactions are generally based on perceptions rather than on reality (Solomon, 2004).

Client-consultant interactions are commonly hard to measure and comprehend (Belkhodja, Karuranga, & Morin, 2012). The consulting assignment and client-consultant dyad involved were accordingly used as a sampling unit representing both parties in the consultancy assignment. The researcher first identified a universe of 120 management consultants in Marketing, Human Resources, Finance, and Management Consultancy firms, with a minimum of three years working experience from directories. After eliminating foreign and technical consultants, exhibition organizers, advertising agencies, and irrelevant independent consultants, the remaining sample was 80 general and specialized management consultant firms. In turn, each management consultant selected some assignments and identified the client in each assignment to form the dyads.

The data collected from the consultants and clients were analyzed using Partial Least Squares, being the most appropriate multivariate statistical model given the sample size constraints.

Unstructured in-depth interviews: Due to the limited literature available to quantify the client characteristics, the authors conducted in-depth interviews with industry experts to conclude the client's characteristics described earlier that would enhance or hamper the knowledge transfer to the client.

Survey: The second, and main, source of primary data was the survey. The results helped measure the research variables and constructs. Likert scale was utilized to measure the different variables related to consultant and client characteristics and KT. The typical five options were: Strongly Agree, Agree, Neutral, Disagree, and Strongly Disagree, on a numerical scale from 1 to 5. The questionnaire was divided into two parts: one targeted the management consultants to test the client characteristics, paired with the second part

addressed to targeted clients. The client questionnaire included Likert-scale questions measuring the consultant characteristics in addition to questions about the knowledge transfer variables.

Limitations of the Methodology and Tool

In total, 28 consultants accepted to participate and accommodated the unstructured in-depth interviews. The rest of the universe opposed participation, with variable reasons for the rejection including fear of conflict of interest, fear of a confidentiality breach, and fear of being judged by their clients. As for the second sample, it totaled up to 125 clients averaging 4.5 per consultant, as opposed to the requested list of five to be generated from each consultant. As with the consultants, the clients had concerns of their own regarding participating in this study including fear of a confidentiality breach, refusal to communicate negative information about a partner (being the consultant) and insufficient time.

Noting the above-mentioned hurdles, 80 clients were reached successfully, resulting in 80 paired questionnaires (consulting assignments each represented by both the consultant and the client), all valid for analysis. It is to be noted that there was less than 1% missing values in the collected data.

Analysis of Data

The analysis technique used for this study was the Partial Least Squares (PLS), which can accommodate the relatively small sample in this research. PLS is a well-established technique invented by Herman Wold to estimate path coefficients in structural models and has been widely used in several studies (e.g. Fornell & Bookstein, 1982; Cool, Dierickx, & Jemison, 1989; Fornell, Lorange, & Roos, 1990, Johanson & Yip, 1994, Birkinshaw, Morrison, & Hulland, 1995).

Reliability Analysis: Cronbach's Alpha

Cronbach's alpha > 0.7 is considered reliable. However, due to the fact that the independent variables (Consultant and Client characteristics) were not tested before, and the consultant's characteristics were built on a competency model, in addition to the dependent variable (Knowledge transfer), which was built on the measurement of learning organization, alpha > 0.6 was still considered reliable by the authors. The following will present the different variables' reliability results:

The reliability coefficient for the client's characteristics was reported at 0.776, whilst the consultant's characteristics were reported at 0.815, 0.629, and 0.529 for behavior, skills, and knowledge, respectively. As for the knowledge transfer variables, Cronbach's alpha was reported at 0.783, 0.675, and 0.675 for cognition, behavior, and performance improvement, respectively.

Factor Analysis

The first multivariate technique introduced was the factor analysis, utilized to identify the separate dimensions of the constructs, and which led to determining the extent to which each factor is explained by each variable. The analysis was performed to group the relevant variables together as perceived by the respondents. Only, factor loadings ± 0.5 or greater are considered practically significant according to Hair et al. (1998).

The authors performed factor analysis utilizing all eight variables representing the client's characteristics as demonstrated in Table 2. All variables with loading less than 0.5 were then eliminated and the factor analysis process was repeated. Three factors emanated and were labeled: *Commitment of Top Management*, *Propensity to Change*, and *Internal Setup*.

The commitment of Top Management included partnership, commitment, support, and use of authority together. The ability to change and trust in the consultant, collectively composed *Propensity to Change*, and the lack of internal system and client's threat from the consultant constructed the *Internal Setup* component.

Table 2

Factor Analysis for the Client's Characteristics (Independent Variable)

Rotated Component Matrix

Variables	Component		
	1	2	3
Partnership	0.917		
Commitment	0.902		
Supportive	0.860		
Use of authority	0.587		
Unable to change		0.889	
Trust		0.861	
Lack of internal system			0.802
Client's threat			0.758

Notes. Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization. Rotation converged in 5 iterations. Suppressed values < 0.5

The consultant competency model was tested as a means to measure the consultant characteristics and resulted in some important insights which are reported as shown in Table 3.

The factor analysis considered suppressing the factors with loading coefficient < 0.5, which resulted in a new interpretation of the model:

(1) The knowledge variable, though it consisted of five elements, was reduced to only two, where the technical knowledge and the sector were the main elements developing this variable.

(2) The skills variable became composed of two original elements of the skills variable, in addition to one of the behavior elements, which is the "Interpersonal Interactivity".

Table 3

Factor Analysis for the Consultant's Characteristics (Independent Variable)

Rotated Component Matrix

Variables	Component			
	1	2	3	4
Skills 2. Positive relation	0.845			
Skills 3. Sustain relation	0.834			
Behavior 6. Interpersonal skills	0.505			
Behavior 2. Sense of responsibility		0.746		
Skills 5. Sustainable results		0.622		
Knowledge 4. External issues awareness		0.607		
Knowledge 3. Business knowledge		0.535		
Behavior 3. Developing knowledge			0.742	
Behavior 7. Deliver efficiently			0.670	
Behavior 5. Proactive thinking			0.537	
Knowledge 1. Technical knowledge				0.829
Knowledge 2. Sector knowledge				0.816

Notes. Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization. Rotation converged in 6 iterations. Suppressed values < 0.5.

(3) The behavior variable was reduced to three elements out of nine; two of which were loaded with coefficient < 0.5, one loaded with the skills variables, and three others loaded with a new variable.

(4) A new variable was developed under the label "Professionalism". This variable is composed of a mix of four elements that loaded all together (business knowledge, external awareness, sense of responsibility, and achieving sustainable results), deduced from the original three variables of the model. Several consultants were re-contacted to help label these four factors and they agreed unanimously that they could be labeled Professionalism. This latent variable was therefore added to the model under this construct label.

(5) The "Professionalism" factor: though it exists in the original model under the behavior variable, it was suppressed since its coefficient was < 0.5. It is worth noting that the term "Professionalism" is too generic and was vaguely used by both clients and consultants, which would be a reason behind its suppression from the original model, since it may have been interpreted differently by the concerned parties.

Table 4

Factor Analysis for the Knowledge Transfer (Dependent Variable)

Rotated Component Matrix

Variables	Component		
	1	2	3
Performance improvement 2. remarkable progress	0.881		
Performance improvement 3. Respond effectively to Mission	0.838		
Performance improvement 4. Improve organization performance	0.737		
Cognition 2. Expand knowledge		0.892	
Cognition 1. Develop new ideas		0.838	
Cognition 4. Think differently		0.598	
Behavior 4. Alter behavior			0.744
Behavior 3. Internalize new insights: analyze problems			0.644
Behavior 2. Internalize new insights: useful tools			0.626
Behavior 1. Internalize new insights: decision making			0.619

Notes. Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization. Rotation converged in 7 iterations. Suppressed values < 0.5

When conducting the factor analysis on the dependent variable of the study, is the "knowledge transfer," the three variables of the knowledge transfer were in accordance with the literature (see Table 4). The variables loaded on their respective factors in accordance with the three measures of a learning organization; cognition, behavior and performance improvement, which affirms the significance of the three variables with their application.

Hypothesis and Pls Results

Path Coefficients

Path analysis is used for empirical estimation of the strength of each relationship (path) depicted in the structural model. Path analysis calculates the strength of the relationships using only a correlation or covariance matrix as input. The significance tests for the structural model are the basis for accepting or rejecting the proposed relationships between the model's constructs.

The path coefficient analysis carries out a directional relationship between the independent variables and the dependent variable. The path coefficient allowed the authors to test the strength of the relations between the independent variables and the dependent variable; the bigger the path coefficient, the stronger the relationship.

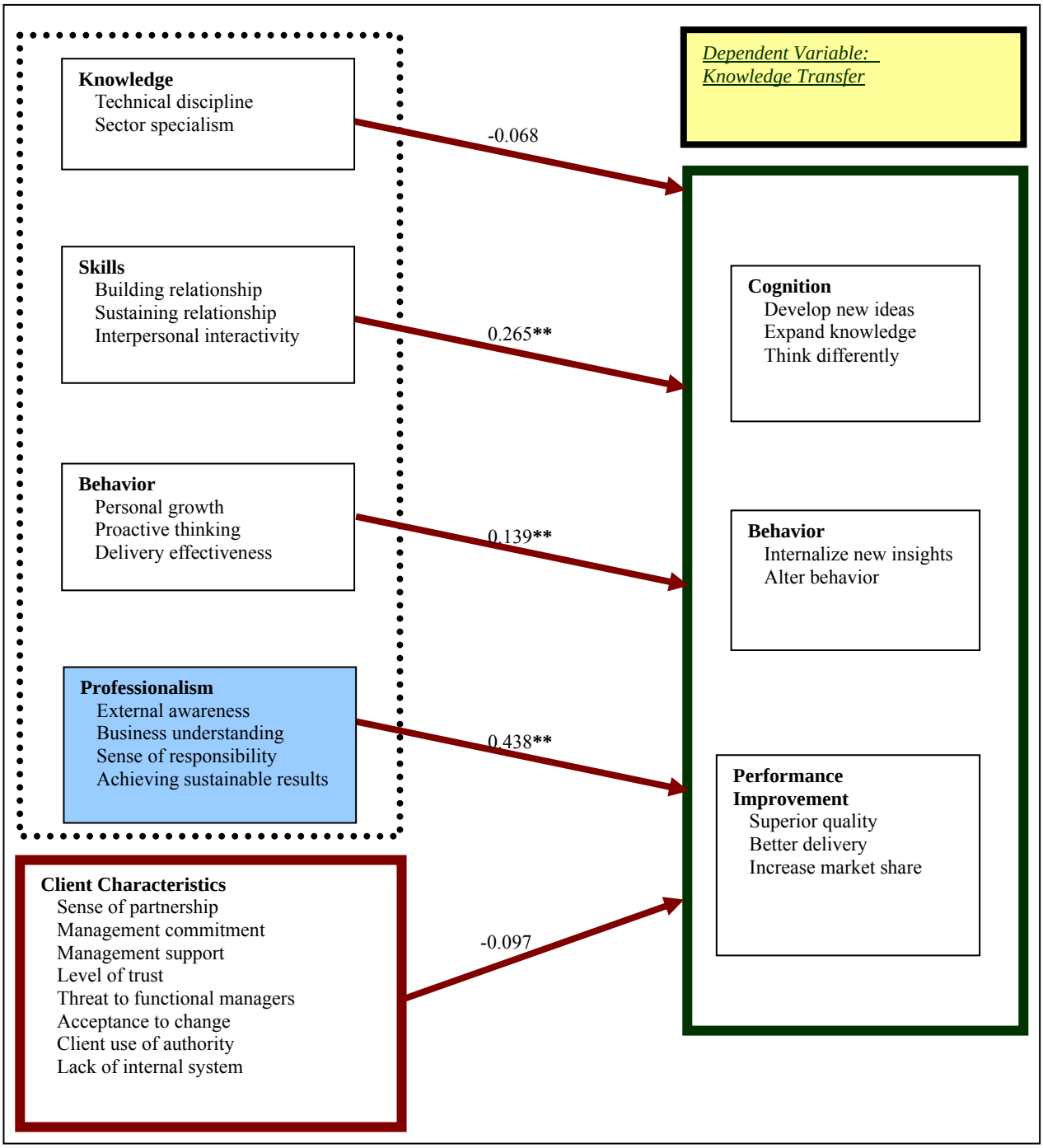

Figure 2. Modified model with path coefficients. *Note.* ** significant at ά = 0.01.

- Hypothesis I: There is a significant and positive correlation between consultant characteristics and transfer of knowledge to the client

In order to tackle the first major hypothesis of the research, the authors examined the path coefficient of the relationship between the consultant's characteristics and the transfer of knowledge. Considering that the consultant's characteristics were composed of three main variables in addition to the new variable "Consultant's Professionalism", developed using the factor analysis that resulted in a new distribution of

factors, the authors acknowledged the existence of some sort of positive correlation between the independent variables and the dependent variable.

Two major points were deduced from Figure 2, the first being that there is a significant positive correlation between the consultant's professionalism, a new construct developed from factor analysis, and the knowledge transfer (dependent variable) (Path coefficient = 0.438). The consultant's skills against the knowledge transfer came second, (Path coefficient = 0.265). Finally, the consultant's behavior is apparently significantly and positively correlated with knowledge transfer (Path coefficient = 0.139).

- Hypothesis II: There is a significant positive correlation between client characteristics and transfer of knowledge to the client

When testing the effect of the client's characteristics on the knowledge transfer to the client, and conducting the path coefficient, no clear relation was demonstrated as shown in Figure 2. The client characteristics proved to have no significant correlation to the transfer of knowledge to the client (Path coefficient = -0.097).

- Hypothesis III: There is a significant positive correlation between the consultant's knowledge and transfer of knowledge to the client

Using the same method and path coefficient, the correlation between each variable of the consultant's characteristics and the knowledge transfer was measured. Figure 2 demonstrates the absence of an effect on the consultant's knowledge of the knowledge transfer to the client (Path coefficient = -0.068).

- Hypothesis IV: There is a significant positive correlation between the consultant's skills and transfer of knowledge to the client

To measure the second variable of the consultant's characteristics being the consultant's skills, the researcher used the same method of the path coefficient to investigate the relationship between the consultant's skills and the knowledge transfer to the client. The test confirmed the existence of a significant positive correlation and effect on the consultant's skills on the knowledge transfer (Path coefficient = 0.265).

- Hypothesis V: There is a significant positive correlation between the consultant's behavior and transfer of knowledge to the client

When testing the third variable of the consultant's characteristics, behavior, in relation to the knowledge transfer to the client, the presence of a significant positive correlation was detected (Path coefficient = 0.139).

- New Hypothesis: There is a significant positive correlation between the consultant's professionalism and transfer of knowledge to the client

As previously discussed, the factor analysis exercise was conducted to confirm the loadings of the factors to its variables. As a result, a new variable was developed labeled "Consultant's Professionalism". This variable proved to be the most significant variable positively correlated to the knowledge transfer to the client recording (Path coefficient = 0.438).

Discussion of Findings

The consultant's role is to help the client improve their organizations and solve their management problems providing a quality management consulting assignment. Obtaining consulting services indicates that those who experience such service seek to add knowledge to their organization (Tuan, 2013). The new modified model is presently composed of four variables: consultant's knowledge, skills, behavior, and

professionalism, as shown in Figure 2. The factor analysis exercise confirmed the loading of the three original variables with some discrepancies as follows:

- The knowledge variable, though it consisted of five factors was reduced to two only, where the technical knowledge and the sector specialism were the main factors developing this variable.
- The skills variable is presently composed of two original elements of the skills variable, in addition to one of the behavior elements, which is the "Interpersonal interactivity".
- The behavior variable was reduced to three elements out of nine, where two elements were loaded with coefficient < 0.5, one was loaded with the skills variables, and three others were loaded with the new variable "Professionalism".
- A new variable was developed under the label "Professionalism". This variable is composed of a mix of four elements that loaded all together (business knowledge, external awareness, sense of responsibility, and achieving sustainable results) deduced from the original three variables of the model.
- The "Professionalism" factor, though it exists in the original model under the behavior variable, it was suppressed since its coefficient was < 0.5.

The quantitative results deduce that the emerging market clients perceive the consultant characteristics somewhat differently than perceived by a different culture market.

Conclusion

This study attempted to research the effect of client and consultant characteristics on the knowledge transfer to the clients in an emerging market. Testing the model and the correlation between the independent and dependent variables revealed the below conclusions to the research hypotheses.

The effect of consultant characteristics on knowledge transfer to the client was detected. However, after a deeper analysis of the impact of each variable of the consultant's characteristics on the transfer of knowledge, the results were:

- Consultants' professionalism, represented by their business knowledge, external awareness, sense of responsibility, and ability to achieve sustainable results to the client, was shown to have the highest correlation with the transfer of knowledge.
- Consultants' skills, represented by their ability to build and sustain a positive relationship with the client and develop interpersonal skills and interactivity with clients, came as the second influential variable on the knowledge transfer to clients. The true engagement of the client in diagnosoing the problem to formulating solutions and the rest of the process is the sole path of achieving a viable solution (Schein, 2009)
- Consultants' behavior, represented in their personal growth, proactive thinking and capabilities to deliver efficiently to the client, came in as the least significant variable in relation to the transfer of knowledge.
- The PLS technique supported part of the proposed model. Surprisingly, PLS indicated that the consultant's knowledge as a latent variable is not significant to the emerging market's client and that professionalism, skills, and behavior of the consultant, are the major aspects that would affect the knowledge transfer to the client.

The second part of the independent variables consisted of the client characteristics, where the PLS totally disregarded this latent variable, signifying that the client's characteristics have no effect to the transfer of knowledge to the client, which seems to rely solely on the consultant's characteristics.

Given the unexpected findings, the authors decided to conduct a few structured in-depth interviews to better understand the significant change to the model and the approval or rejection of the corresponding

outcomes. Three in-depth interviews were conducted with clients with the objective of explaining the findings. The authors asked the respondents to give constant sum weights for the indicators of the consultant's characteristics construct according to its significance to the transfer of knowledge. The client was then directly asked to personally justify the results of the research. The interviews were useful in understanding the outcome of the PLS analysis as concluded below:

- All interviewees agreed on the significance of professionalism of the consultant to the transfer of knowledge. Professionalism was unanimously weighted by clients as number one and the most important aspect to ensure a smooth transfer of knowledge. The percentage associated with this variable was 40% by the three clients.
- The consultant's skills and behavior were rated almost equally by the three clients, with slight differences in weight, ranging between 25% and 30%. Some clients perceived skills as more important, explaining that the consultant's ability to build and develop a positive relationship with the client would strongly help in delivering the consultant's viewpoint, and in convincing the client of his proposal. This will accordingly lead the client to accept the proposition of the assignment and support the transfer of knowledge.
- All clients weighed knowledge as the least important variable in the transfer of knowledge; however, they refused the idea of ignoring its effect. This admittedly weak effect may be detected with larger sample sizes. The consultant's knowledge is of importance, but the emerging market's culture seemed to care more about the interpersonal relationships and frequently judge consultants subjectively. This illustrates the social capital concept mentioned by Fukuyama (1999, p. 16) which states social capital as "a relationship between two or more individuals that was founded on trust and mutual values". It affects the productivity and cooperation between individuals and groups. It shapes a set of informal values and leads to cooperation among them according to Hansson (2002).
- The consultant's awareness and external exposure are of high importance from the client's point of view. The consultant's business understanding and sense of responsibility portrayed to the client are also very important, along with the consultant's ability to achieve sustainable results to the client.
- When Kubr (1996) differentiated between two main aspects that would compose the consultant qualities, he defined intellectual abilities and personal skills and attributes. It could be derived that the emerging market's culture is more concerned with the personal skills and attributes of the consultant rather than his/her technical knowledge of the client's sector, due to the interpretation that efficient delivery is usually backed by skills and behavior of the consultant.
- Other variables could also affect the consultant-client relationship such as the length and complexity of involvement in large organizations are somewhat different from other organizations differ in size such as in SMEs, since the actual client may change over time (Fuqua, Newman, & Simpson, 2012).

Therefore, three main points could be concluded:

(1) The qualitative research affirmed the PLS results with respect to the importance of each variable individually. The consultant's knowledge was reported as the least significant variable affecting the knowledge transfer to the client.

(2) Having a relatively small sample may have led to ignoring the consultant's knowledge variable as it was not significant within the PLS results.

(3) A study of the new distribution of the latent construct and its variables and factors is of high importance to shed light on their effect on the knowledge transfer.

- The second hypothesis of this research was rejected, proposing that the client's characteristics do not affect the transfer of knowledge to the client, in contrast to Alvesson's (2002) study. One implication of this finding would be that the consultant alone is to be blamed if the transfer of knowledge does not occur at the end of an assignment.

Although the in-depth interviews' respondents from the clients' side placed significant weight on a client's characteristics to ensure a smooth transfer of knowledge, two further interviews with industry-expert consultants backed the PLS results mentioned earlier:

- Consultants concurred with the PLS outcome, believing that it solely depends on the consultant's ability to maintain a consistent outcome level for all clients. If a client lacks trust in the consultant, it is the consultant's role to regain that confidence to ensure that this factor does not affect the smooth knowledge transfer to the client. However, the study of the client's characteristics should regard other aspects to be able to judge their effect. The estimated length of the assignment versus the actual time, the client's promptness to give feedback to the consultant, the quality of the input delivered to the consultant, and the client's involvement in the assignment, should be considered.

Limitations and Future Research

Geographically, this research was confined to a single emerging market. Replications are needed to generalize to other emerging markets, and to developed markets. The rather small sample may not have done justice to some expected correlations, especially the correlation between consultant knowledge and knowledge transfer. The result, however, was adequately explained by the qualitative interviews with expert consultants.

Larger sample size would also allow for comparisons across specializations within management consultancies, such as marketing, human resources, and quality management. Moreover, future research should address the characteristics of the consulting assignment, on knowledge transfer. It can be expected that the type, nature, focus, and length of the assignment could all have a significant impact on the transfer of knowledge to the client.

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